

The Commonwealth of Massachusetts

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

D.T.E. 05-88

Petition of Boston Edison Company d/b/a NSTAR Electric for approval of its 2005 Transition Cost Reconciliation Filing, pursuant to G.L. c.164, § 1A(a), 220 C.M.R. § 11.03(4) and the Restructuring Settlement Agreement approved by the Department of Telecommunications and Energy in D.P.U./D.T.E. 96-23.

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FOR: BOSTON EDISON COMPANY

Petitioner

I. INTRODUCTION

On December 2, 2005, pursuant to G.L. c.164, § 1A(a), 220 C.M.R. § 11.03(4) and the Restructuring Settlement Agreement approved in <u>Boston Edison Company</u>,

D.P.U./D.T.E. 96-23 (1998), Boston Edison Company d/b/a NSTAR Electric ("BECo" or "Company") filed with the Department of Telecommunications and Energy ("Department") its 2005 reconciliation filing, which consists of the reconciliation of transition, transmission, standard offer service and default service costs and revenues, and proposed updated charges and tariffs to be effective January 1, 2006. The Department docketed this filing as D.T.E. 05-88.

On December 8, 2005, the Department issued a notice and a request for comments on BECo's filings. Comments were filed by Constellation NewEnergy, Inc. and Constellation Energy Commodities Group (collectively "Constellation"); and the Attorney General of the Commonwealth ("Attorney General").²

II. DESCRIPTION OF PROPOSED TARIFFS

According to BECo, the rate adjustments affect its transition, transmission, and standard offer service and default service adjustment charges. For 2006, BECo proposes: (1) an average transition charge of \$0.01916 per kilowatthour ("KWH"); (2) an average transmission charge of \$0.01312 per KWH; and (3) a default service adjustment factor \$0.00065 per KWH. BECo

The Department approved BECo's 2004 reconciliation filing subject to further investigation and reconciliation in <u>Boston Edison Company</u>, D.T.E. 04-113 (2004).

On December 20, 2005, the Attorney General filed a Notice of Intervention pursuant to G.L. c. 12, § 11E.

asserts that these proposed rates were calculated in substantially the same manner used in BECo's 2004 reconciliation filing in D.T.E. 04-113.

III. COMMENTS

Constellation contends that the default service adjustment charge should not be collected from all customers, but rather only those who receive default service (Constellation Comments at 2-5). The Attorney General requests that the Department open a formal investigation as it has for all of the Company's previous filings (Attorney General Comments at 2).

IV. ANALYSIS AND FINDINGS

Based upon its review of BECo's filing, the Department has determined that further investigation is necessary. The tariffs filed by BECo for approval in this proceeding are addressed in NSTAR Settlement, D.T.E. 05-85. The Department finds, however, that the rates are in compliance with Department precedent³ and G.L. c. 164, § 1B(b). Consequently, the transition, transmission and default service adjustment rate changes are allowed, subject to reconciliation pursuant to the Department's ongoing investigation and the directives of D.T.E. 05-85.

Boston Edison Company, D.P.U./D.T.E. 96-23 (1998); Boston Edison Company, D.T.E. 98-111 (1999); Boston Edison Company, D.T.E. 99-107 (2000); Boston Edison Company, D.T.E. 01-78 (2002); Boston Edison Company, D.T.E. 02-80A (2003); Boston Edison Company, D.T.E. 03-117-A (2004).

V. ORDER

After review and consideration, it is

ORDERED: That the tariffs filed by Boston Edison Company d/b/a NSTAR Electric with the Department on December 2, 2005, M.D.T.E. Nos. 102F, 104D, 120E through and including 123E, 130E through and including 135E, 136C, 138B, and 140E through and including 142E, for service on and after January 1, 2006, are DENIED; and it is

<u>FURTHER ORDERED</u>: That the rate changes for Boston Edison Company d/b/a NSTAR Electric are ALLOWED subject to reconciliation pursuant to the Department's investigation and the directives of D.T.E. 05-85; and it is

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<u>FURTHER ORDERED</u>: That Boston Edison Company d/b/a NSTAR Electric comply with any and all other directives contained in this Order.

By Order of the Department,
Paul G. Afonso, Chairman
James Connelly, Commissioner
W. Robert Keating, Commissioner
Judith F. Judson, Commissioner
Brian Paul Golden, Commissioner

An appeal as to matters of law from any final decision, order or ruling of the Commission may be taken to the Supreme Judicial Court by an aggrieved party in interest by the filing of a written petition praying that the Order of the Commission be modified or set aside in whole or in part. Such petition for appeal shall be filed with the Secretary of the Commission within twenty days after the date of service of the decision, order or ruling of the Commission, or within such further time as the Commission may allow upon request filed prior to the expiration of the twenty days after the date of service of said decision, order or ruling. Within ten days after such petition has been filed, the appealing party shall enter the appeal in the Supreme Judicial Court sitting in Suffolk County by filing a copy thereof with the Clerk of said Court. G.L. c. 25, § 5.